

**DETERMINATION AND FINDINGS
FOR
SOLE SOURCE PROCUREMENT**

USING AGENCY:	Department of Corrections
CONTRACTING AGENCY:	Office of Contracting and Procurement
CONTRACT NO.:	CW26699
CAPTION:	Comprehensive Health Care Services for DOC Inmates
CONTRACTOR:	Unity Health Care, Inc.

FINDINGS

1. AUTHORITY:

D.C. Official Code §2-354.04, 27 DCMR 1304.1, and 1701

2. MINIMUM NEED:

The Department of Corrections of the District of Columbia (DOC) has an immediate need for full continuum health care service to provide Comprehensive Medical and Mental Health Services to an estimated population of 2,406 inmates housed in the Central Detention Facility (CDF), 1901 D Street, SE; the Correctional Treatment Facility (CTF), 1901 E Street, SE, and four (4) Community Correctional Centers under the Community-Oriented Correctional Health Care (COCHC) model.

3. ESTIMATED FAIR AND REASONABLE COST:

The estimated fair and reasonable price for the contract extension is \$9,800,000.00 from April 1, 2014 through September 30, 2014.

4. FACTS WHICH JUSTIFY A CONTRACT EXTENSION:

Unity Health Care, Inc., (Unity) was awarded Contract No. DCFL-2006-D-6001 in 2006 for a Three-Year Base Period with Two One (1) Year Options. In anticipation of the expiration of this contract, in 2011 the Office of Contracting and Procurement (OCP) issued a Request for Proposal (RFP), DCFL-2011-R-1001, to solicit for a competitive bid.

During this procurement process, the leadership at the Department of Corrections changed and re-evaluated DOC's inmate healthcare requirements. Following this process, the Interim Director of DOC advised OCP that DOC needed more time and expertise to re-examine the minimum needs set forth in the RFP and requested OCP to extend the current contract and cancel the RFP. The RFP was cancelled on May 13, 2011 and a sole source extension, to Unity Healthcare, was awarded for the period of October 1, 2011 to September 30, 2012.

DOC subsequently engaged the services of a consulting firm, Public Consulting Group, Inc. to advise them and to make recommendations as to how DOC can possibly improve the inmates' healthcare services and reduce costs. This engagement took substantially more time than anticipated and the contract with Unity had to be extended again, through September 30, 2013.

DOC developed a new Statement of Work based on the findings and recommendations of the Public Consulting Group, Inc. A new solicitation was advertised in the Washington Times on July 5th, 2013 and simultaneously released on the OCP's E-Sourcing module, with a closing date of August 19, 2013. However, the number of questions OCP received from the prospective offerors pertaining to the solicitation and the amount of time needed to address these questions warranted another extension to closing on September 9, 2013. Due to the complexities of this procurement, the prospective offerors were afforded the opportunity to pose a second round of questions which were submitted on December 27, 2013. Furthermore, the anticipated closing date of proposals submission was amended from January 27, 2014 to January 31, 2014 and now to February 13, 2014.

A comparative analysis of Medical Care cost for Washington-Baltimore, DC-MD-VA-WV was conducted and the findings are as follows. In 2008, Medical Care cost increased by 3.69%, 2009 was 4.40%, 2010 was 7.39%, 2011 was 4.23%; the data for 2012 is not yet available. Further analysis showed that the contract that was signed by the District dated July 19, 2006; the average population of the inmates served in 2006 to 2009 was 3,090; 2010 was 3,034; 2011 was 3,100; 2012 was 2,630 and 2013 is 2,780. The cost of medical services for the inmates in 2006 to 2009 (three base years) was \$84,831,907.00. Option Year One, October 1, 2009 to September 30, 2010, the cost was \$28,521,422.98; Option Year Two, October 1, 2010 to September 30, 2011, the cost was \$24,451,535.00. The cost of the extending the contract from October 1, 2011 to September 30, 2012 was \$24,451,535.00. The contract was extended from October 1, 2012 to September 30, 2013 in the amount of \$23,600,580.00. Also, a Sole Source Contract was initiated on October 1, 2013 through March 31, 2014 in the amount of \$11,800,290.00

Recently, the DOC informed the current Contracting Officer that the average population of inmate has declined to now reflect only 2406 inmates. Therefore, considering the decline in average inmates population, the current independent government estimate for services from April 1, 2014 to September 30, 2014 is \$9,800,000.00. The District must continue to provide healthcare services during this period and allow for a sixty (60) day transition period once the new contract is awarded. For this reason, the current contract must be extended from April 1, 2014 through September 30, 2014.

5. CERTIFICATION BY AGENCY HEAD OR DESIGNEE

I hereby certify that the above findings are correct and complete to the best of my knowledge and belief.

Thomas N. Faust
Director
Department of Corrections

Date

6. CERTIFICATION BY CONTRACTING OFFICER

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority.

The notice on intent to award a sole source contract was posted on OCP website and no responses were received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Callie Byrd-Williams
Contracting Officer
Office of Contracting and Procurement

Date

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under D.C. Official Code § 2-354.04 Sec (a)(b)(c), DCMR 1700 and D.C. Law 18-371. Accordingly, I determine that the District is justified in using the Sole Source Method of Procurement. In addition it is determined that this method is in the best interest of the District.

James D. Staton, Jr.
Chief Procurement Officer
Office of Contracting and Procurement

Date

